GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2882
ANSWERED ON:02.12.2016
Presentation of the Union Budget
Gandhi Dr. Dharam Vira

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has decided to advance the presentation of the Union Budget in January;

(b) if so, the details and the reasons therefor;

(c) whether the Government has assessed the long-term and short-term impact by advancing the union Budget;

(d) if so, the details thereof along with steps taken to improve the budget making exercise by adopting the best practices of the modern public finance management; and

(e) the extent to which such a move is likely to make the budget making more participatory, transparent and accountable?

Answer

(a)&(b) : A proposal was made for advancing the date of budget presentation from the last working day of February to 1st February, 2017 or any other suitable date as may be necessary. While approving this proposal, Cabinet, in its meeting held on 21.9.2016, directed that for 2017-18, the date of Budget presentation be determined taking into account the notification regarding calendars of State elections.
(c)&(d) : Government has considered the various aspects thoroughly relating to advancing the date of presentation of Union Budget. Major advantages in advancing the date of Budget presentations are:
(i) presentation of single Appropriation Bill (including the estimates of Ministry of Railways after its Budget getting merged with Union Budget) to Parliament for the expenditure of the Government for full year, obviating the need for a separate Bill for 'vote on account' for incurring the expenditure for the first two months;
(ii) obtaining the approval of Parliament on full budget would enable operationalizing the budget for new schemes/projects included in the Budget right from the commencement of financial year and Ministries/Department can plan their expenditure allocations for the full year even better;
(iii) the benefit of new taxation measures involving legislative changes in central excise and service tax (GST) will accrue to the Government from the commencement of the financial year; and
(iv) various stakeholders like business and industry are also likely to benefit from the advancement of presentation of Union Budget as they would have greater clarity on tax measures.

(e) : The extant budget making process is already participatory, transparent and accountable. The proposed advancement of budget presentation would help accelerate the process and timely delivery of services and implementation of schemes/projects.
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